

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | JOHN B. LANGAN | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. MCCARTHY

MEMORANDUM

TO: Belmont Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: October 30, 2014

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 and January 1 of each fiscal year. The schedule is effective in FY15 (since the amount under the prior schedule was maintained in FY15) and is acceptable under Chapter 32.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

JEC/jrl

Enc.



Chart 3

Funding Schedule – Uniform increases in the appropriation through 2027

(1) Fiscal Year Ended June 30	(2) Employer Normal Cost	(3) Amortization of 2002 ERI Liability	(4) Amortization of 2003 ERI Liability	(5) Amortization of Remaining Unfunded Liability	(6) Total Plan Cost: (2) + (3) + (4) + (5)	(7) Total Unfunded Actuarial Accrued Liability at Beginning of Fiscal Year	(8) Percent Increase in Total Cost
2015	\$1,297,269	\$23,098	\$70,989	\$5,973,166	\$7,364,523	\$76,501,166	--
2016	1,349,160	23,098	74,183	6,431,517	7,877,958	76,013,403	6.97%
2017	1,403,126	23,098	77,522	6,923,443	8,427,189	74,999,719	6.97%
2018	1,459,251	23,098	81,011	7,451,351	9,014,711	73,383,694	6.97%
2019	1,517,621	--	84,656	8,040,915	9,643,193	71,080,433	6.97%
2020	1,578,326	--	88,466	8,648,699	10,315,491	67,995,730	6.97%
2021	1,641,459	--	92,446	9,300,755	11,034,660	64,025,154	6.97%
2022	1,707,118	--	96,607	10,000,243	11,803,968	59,053,048	6.97%
2023	1,775,402	--	100,954	10,750,553	12,626,910	52,951,438	6.97%
2024	1,846,418	--	105,497	11,555,309	13,507,225	45,578,845	6.97%
2025	1,920,275	--	110,244	12,418,394	14,448,914	36,778,977	6.97%
2026	1,997,086	--	--	13,459,168	15,456,254	26,379,319	6.97%
2027	2,076,970	--	--	14,456,854	16,533,824	14,189,578	6.97%
2028	2,160,048	--	--	--	2,160,048	--	-86.94%
2029	2,246,450	--	--	--	2,246,450	--	4.00%
2030	2,336,308	--	--	--	2,336,308	--	4.00%
2031	2,429,761	--	--	--	2,429,761	--	4.00%
2032	2,526,951	--	--	--	2,526,951	--	4.00%
2033	2,628,029	--	--	--	2,628,029	--	4.00%
2034	2,733,150	--	--	--	2,733,150	--	4.00%
2035	2,842,476	--	--	--	2,842,476	--	4.00%
2036	2,956,175	--	--	--	2,956,175	--	4.00%
2037	3,074,422	--	--	--	3,074,422	--	4.00%
2038	3,197,399	--	--	--	3,197,399	--	4.00%
2039	3,325,295	--	--	--	3,325,295	--	4.00%
2040	3,458,307	--	--	--	3,458,307	--	4.00%

Notes: Recommended contributions are assumed to be paid in two equal installments on July 1 and December 31.

Item (2) increases at 4.00% and Item (4) increases at 4.50%.

Assumes contribution of budgeted amount for fiscal year 2015.